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Programme budget for the biennium 2004-2005

United Nations common system

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2004: statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement of the Secretary-General (A/59/429), submitted in accordance with rule 153 of the rules of procedure of the General Assembly, on the administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2004 (A/59/30). These relate to: (a) conditions of service of staff in the Professional and higher categories: base/floor salary scale and staff assessment scale; (b) hazard pay for locally recruited staff; (c) education grant.

2. Concerning the conditions of service of staff in the Professional and higher categories, the Commission recommends an upward adjustment of the current base/floor salary or staff in the Professional and higher categories by 1.88 per cent, with effect from 1 January 2005. The financial implications resulting from this adjustment for 2005 for the United Nations has been calculated by the Commission in the amount of $354,600 including $172,500 in respect of mobility/hardship allowance and $182,100 in respect of the scale of separation payments.

3. With respect to hazard pay for locally recruited staff, the Commission, in response to the request of the General Assembly, has decided upon a smaller increase in the level of hazard pay for locally recruited staff; the level would be increased from 20 to 25 per cent of the midpoint of the local salary scale and the decision would be implemented from 1 June 2004. The financial implications for the United Nations programme budget are estimated at a total of $948,100 for

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19 months, including retroactive payment of the entitlement from 1 June 2004; for 2005 alone, the amount would be $599,000.

4. Regarding the education grant, the Commission recommends a number of measures, such as the adjustment of the maximum admissible expenses, the maximum grant and the special education grant in certain countries and the revision of the flat rates for boarding. It indicates that these measures should be applicable as from the school year in progress on 1 January 2005, and has estimated their annual financial implications at $965,000.

5. The financial implications for the United Nations budget for the biennium 2004-2005 resulting from the above-mentioned recommendations of the International Civil Service Commission amount to a total of $2,267,700.

6. **The Committee recommends that the General Assembly approve the Secretary-General's recommendation to accommodate the additional requirement of $2,267,700 from within the common staff costs provision in the programme budget for the biennium 2004-2005.**